



ARKANSAS SECURITIES DEPARTMENT

TO: All Broker-Dealers
FROM: Tom Bull, Broker-Dealer Supervisor
DATE: April 12, 2004
RE: Principal Designation Letter

1. Every applicant/registered broker-dealer must provide a Principal Designation Letter (reverse) to designate the individual(s) who will be registered principal(s) for the firm in Arkansas.
2. Qualifications
 - A. Principals must pass both the representative's and principal's securities knowledge exams for the type of business conducted by the broker-dealer;
 - B. Principals must be registered in their state of primary residence;
 - C. Principals must be registered as an agent in Arkansas through the CRD system;
 - D. Principals must be designated by another individual on a properly executed principal designation letter (reverse) which may be copied or retyped.
3. Designation Letter
 - A. The designating officer/general partner must be listed on Form BD, Schedule A, currently on file with the Department or CRD. The principal does not have to be on Schedule A.
 - B. If the principal is a sole proprietor, or a sole shareholder and sole officer, the principal may designate him/herself. In all other cases the designating individual must be someone other than the principal.
 - C. The designating officer and the principal must sign the designation letter in the appropriate spaces.

BROKER / DEALER
PRINCIPAL DESIGNATION LETTER

TO: Mr. Michael J. Johnson, Commissioner
Arkansas Securities Department

Pursuant to the Ark. Code Ann. § 23-42-301(e)(1), I hereby designate.

_____ (“Principal”) as the individual
(PRINCIPAL’S NAME)

who has direct supervision over the offer, purchase and sale of securities in Arkansas for
the following broker-dealer:

(BROKER-DEALER NAME)

This individual, as Principal, has full and continuing authority to represent this
Broker-Dealer and carry out the responsibilities set forth under the Act.

1) _____
(Signature of Firm’s Designating Officer/General Partner)

Title

Date

2) I Hereby Accept the Supervisory Responsibility for all Offers, Purchases, and
Sales of Securities in Arkansas.

(Signature of Principal)

Title

Date